

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Budget Subcommittee on Transportation, Tourism, and Economic Development Appropriations

BILL: CS/SB 1388

INTRODUCER: Transportation Committee; and Senator Bogdanoff

SUBJECT: Motor Vehicle Registration Forms

DATE: February 22, 2012      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Abrams</u>	<u>Buford</u>	<u>TR</u>	<b>Fav/CS</b>
2.	<u>Carey</u>	<u>Meyer</u>	<u>BTA</u>	<b>Pre-meeting</b>
3.	_____	_____	<u>BC</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

**Please see Section VIII. for Additional Information:**

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|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes        |
| B. AMENDMENTS.....           | <input type="checkbox"/>            | Technical amendments were recommended   |
|                              | <input type="checkbox"/>            | Amendments were recommended             |
|                              | <input type="checkbox"/>            | Significant amendments were recommended |

**I. Summary:**

The bill amends ss. 320.02 and 322.08, F.S., to create \$1 voluntary contribution check-offs on a motor vehicle application (initial registration and renewal) and a driver license or identification card application (initial, renewal, or replacement). The check-offs are created for the following entities and causes:

- Autism Services and Supports – contributions must be distributed to Achievement and Rehabilitation Centers, Inc., Autism Services Fund.
- Support Our Troops – contributions must be distributed to Support Our Troops, Inc., a Florida not-for-profit organization.

The bill substantially amends ss. 320.02 and 322.08, F.S.

**II. Present Situation:**

**Motor Vehicle Registration Voluntary Check-offs**

During the 1998 Session, the Legislature created s. 320.023, F.S., which outlines the procedures that an organization must follow prior to seeking Legislative authorization to request the creation of a new voluntary contribution fee and establish a corresponding voluntary check-off on a motor vehicle registration application. The check-off allows a registered owner or registrant of a motor vehicle to voluntarily contribute to one or more of the authorized organizations during a motor vehicle registration transaction. Before the organization is eligible, it must submit the following requirements to Department of Highway Safety and Motor Vehicles (DHSMV or department) at least 90 days before the convening of the Regular Session of the Legislature:

- A request for the particular voluntary contribution being sought, describing it in general terms.
- An application fee of up to \$10,000 to defray DHSMV's costs for reviewing the application and developing the check-off, if authorized. State funds may not be used to pay the application fee.
- A short and long-term marketing strategy and a financial analysis outlining the anticipated revenues and the planned expenditures of the revenues to be derived from the voluntary contributions.

DHSMV must discontinue the check-off if less than \$25,000 has been contributed by the end of the fifth year, or if less than \$25,000 is contributed during any subsequent five-year period.

Section 320.02, F.S., specifies the language that must appear on the State of Florida vehicle's registration and renewal application forms. Included in s. 320.02, F.S., are options for seventeen authorized voluntary contributions to the corporations, trust funds, and organizations.<sup>1</sup> There are also three additional voluntary contributions relating to registrations authorized in other sections of law.<sup>2</sup> These contributions are not income revenue and are not subject to the trust fund service charge detailed in s. 215.20, F.S., with the exception of the Organ and Tissue Donor trust fund.<sup>3</sup>

### **Driver License Application Voluntary Check-offs**

Section 322.081, F.S., outlines the procedure an organization must follow prior to seeking legislative authorization to request the creation of a new voluntary contribution fee and establish a corresponding voluntary contribution on a driver's license or identification card application (initial, renewal, or replacement). The contribution allows a person applying for, renewing, or replacing a Florida driver's license or identification card to voluntarily contribute to one or more of the authorized organizations during the transaction. To become eligible, the organization must submit the following to DHSMV at least 90 days before the convening of the next regular session of the Legislature:

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<sup>1</sup> DHSMV provided a chart listing each authorized DHSMV motor vehicle registration voluntary check-off that includes revenue collected for each check-off: Florida Department of Highway Safety and Motor Vehicles, *Drivers License and Motor Vehicle Voluntary Contributions FY 2004-05 through 2010-11* (on file with Senate Transportation Committee).

<sup>2</sup> Specifically, s. 320.08047, F.S., allows a \$1 voluntary contribution to be deposited into the Health Care Trust Fund for organ and tissue donor education and for maintaining the organ and tissue donor registry. Section 328.72(11), F.S., requires that vessel registration and renewal application forms include a provision allowing for a voluntary contribution of \$2 or \$5 to the Save the Manatee Trust Fund to fund an impartial scientific benchmark census of the manatee population in the state and other activities intended to provide manatee and marine mammal protection and recovery efforts. Lastly, s. 328.72(16), F.S., requires the DHSMV to offer for sale with vessel registrations a marine turtle sticker for \$5 with proceeds deposited into the Marine Resource Conservation Trust Fund to be used for marine turtle protection, research, and recovery efforts.

<sup>3</sup> Sections 320.02 and 322.081, F.S.

- a request for the particular voluntary contribution being sought, describing it in general terms;
- an application fee of up to \$10,000 (state funds may not be used) to defray the DHSMV's costs for reviewing the application and developing the check-off, if authorized; and
- a short and long-term marketing strategy and a financial analysis outlining the anticipated revenues and the planned expenditures of the revenues to be derived from the voluntary contributions.

DHSMV must discontinue the contribution if less than \$25,000 has been contributed by the end of the fifth year, or if less than \$25,000 is contributed during any subsequent five-year period.

The authorized voluntary check-offs on a driver's license or identification card application are listed in s. 322.08, F.S.

### **Moratorium on New Voluntary Check-offs**

In 2010, the Legislature passed HB 971, which included a moratorium on the creation of new voluntary contributions on motor vehicle registration and driver license forms by DHSMV. The moratorium is effective from July 1, 2010 to July 1, 2013, but contains an exception to "establish a voluntary contribution for an organization that has submitted a request to the Department of Highway Safety and Motor Vehicles before May 1, 2010, and submitted a valid financial analysis, marketing strategy, and application fee before September 1, 2010," or "which was included in a bill filed during the 2010 Legislative Session and met the requirements."<sup>4</sup>

According to DHSMV, five organizations met the moratorium exceptions as set forth in s. 320.023, F.S.<sup>5</sup> The Achievement and Rehabilitation Centers, Inc., Autism Services Fund and Support Our Troops, Inc., are two organizations that have met these requirements.<sup>6</sup>

### **III. Effect of Proposed Changes:**

**Section 1** amends s. 320.02(15), F.S., to include voluntary contribution check-off options of \$1 on motor vehicle registration and renewal forms to Autism Services and Supports and to Support our Troops. The department must distribute the proceeds monthly to the Florida Achievement and Rehabilitation Centers, Inc., Autism Services Fund for the contributions to Autism Services and Supports and to Support Our Troops, Inc., a Florida not-for profit organization, for contributions to Support Our Troops. Contributions are not income of a revenue nature for the purposes of applying the service charge provided in s. 215.20, F.S.

**Section 2** amends s. 322.08, F.S., to create a \$1 voluntary contribution check-off on an original, renewal, or replacement driver's license or identification card application. The check-offs are created for the following entities and causes:

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<sup>4</sup> Section 45, 2008-176, Laws of Florida

<sup>5</sup> Florida Department of Highway Safety And Motor Vehicles, *2011 Voluntary Contributions—Motor Vehicle and Driver License* (September 7, 2010) (on file with Senate Transportation Committee).

<sup>6</sup> Florida Department of Highway Safety and Motor Vehicles, *SB 1388 Bill Analysis – Motor Vehicle Registration Forms Contribution* (January 12, 2012) (on file with Senate Transportation Committee).

- Autism Services and Supports – contributions shall be distributed to Achievement and Rehabilitation Centers, Inc., Autism Services Fund.
- Support Our Troops – contributions shall be distributed to Support Our Troops, Inc., a Florida not-for-profit organization.

**Section 3** provides July 1, 2012 as the effective date of the bill.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Persons who elect to donate to a charitable cause on motor vehicle registration or renewal applications or driver license will be required to pay an additional \$1 for each check-off they elect. It is impossible to determine how many people will elect to donate. Therefore, the aggregate impact to the private sector cannot be determined.

C. Government Sector Impact:

The bill provides the application form for motor vehicle registration (initial or renewal) shall include language permitting the voluntary contribution of \$1 per applicant for two additional charitable organizations that have met the filing requirements set forth in s. 320.023, F.S. The application fee for the organizations is already on deposit with DHSMV to cover the costs for reviewing the application and developing the contribution. The bill provides this same authorization regarding driver's license applications (initial, renewal, or replacement).

Additionally, Tax Collector Offices will be minimally impacted by collecting additional funds when a motorist elects to contribute to Autism Services and Supports or Support Our Troops.<sup>7</sup>

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<sup>7</sup> *Id.*

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Transportation on January 26, 2012:**

The committee substitute creates a \$1 voluntary check-off on driver license applications and renewals for the Achievement and Rehabilitation Centers, Inc., and the Support Our Troops, Inc.

- B. **Amendments:**

None.